

**Puerto Rico Telephone Company
Relative Index Study**

Volume 3
Exhibit 3

Worksheet #4

Incremental Loop Costs

| TYPE OF EQUIPMENT/SERVICE | (A) NUMBER OF CIRCUITS IN SAMPLE | (B) NO. OF CIRCUITS UTILIZING EQUIPMENT | (C) PERCENT CIRCUITS WITH EQUIPMENT (Col.(B)/Col.(A)) | (D) TOTAL EQUIPMENT COST (Wksht. #3) | (E) INCREMENTAL LOOP COST (COL.C x COL.D) |
|---------------------------------------|---|---|--|--|--|
| VG 2 WIRE =====> | 75 | | | | |
| REPEATER | | 75 | 100.00% | \$299.90 | \$299.90 |
| HYBRID OPTION | | 50 | 66.67% | \$382.15 | \$254.77 |
| UNIQUE DISTANCE SENSITIVE EQUIP | | 0 | 0.00% | \$0.00 | \$0.00 |
| VG 4 WIRE =====> | 50 | | | | |
| REPEATER | | 50 | 100.00% | \$359.73 | \$359.73 |
| LEVEL ADJUSTMENT | | 50 | 100.00% | \$380.31 | \$380.31 |
| UNIQUE DISTANCE SENSITIVE EQUIP | | 0 | 0.00% | \$0.00 | \$0.00 |
| PROGRAM AUDIO 1 =====> | 2 | | | | |
| REPEATER | | 2 | 100.00% | \$601.72 | \$601.72 |
| UNIQUE DISTANCE SENSITIVE EQUIP | | 0 | 0.00% | \$0.00 | \$0.00 |
| PROGRAM AUDIO 2-4 =====> | 2 | | | | |
| COMMON EQUIP. PKG | | 2 | 100.00% | \$776.70 | \$776.70 |
| UNIQUE DISTANCE SENSITIVE EQUIP | | 0 | 0.00% | \$0.00 | \$0.00 |
| VIDEO SERVICES (ALL) =====> | 0 | | | | |
| UNIQUE EQUIP. PKG | | 2 | 0.00% | \$923.74 | \$0.00 |
| UNIQUE DISTANCE SENSITIVE EQUIP | | 1 | 0.00% | \$716.79 | \$0.00 |
| DIGITAL DATA (ALL) =====> | 25 | | | | |
| OFFICE CHANNEL UNIT | | 25 | 100.00% | \$677.14 | \$677.14 |
| UNIQUE DISTANCE SENSITIVE EQUIP | | 0 | 0.00% | \$177.84 | \$0.00 |
| HI-CAP 1.544 Mbps =====> | 50 | | | | |
| REPEATER | | 50 | 100.00% | \$1,125.91 | \$1,125.91 |
| UNIQUE DISTANCE SENSITIVE EQUIP | | 50 | 100.00% | \$740.79 | \$740.79 |

ACCESS SERVICE

13. Additional Engineering, Additional Labor, Miscellaneous Services and Presubscription (Cont'd)

13.3 Miscellaneous Services (Cont'd)

13.3.2 Maintenance of Service

- (A) When a customer reports a trouble to the Telephone Company for clearance and no trouble is found in the Telephone Company's facilities, the customer shall be responsible for payment of a Maintenance of Service charge as set forth in 17.4.3(C) following for the period of time from when Telephone Company personnel are dispatched, at the request of the customer, to the customer designated premises to when the work is completed. Failure of Telephone Company personnel to find trouble in Telephone Company facilities will result in no charge if the trouble is actually in those facilities, but not discovered at the time.
- (B) The customer shall be responsible for payment of a Maintenance of Service charge when the Telephone Company dispatches personnel to the customer designated premises, and the trouble is in equipment or communications systems provided by other than the Telephone Company or in detariffed CPE provided by the Telephone Company.

In either (A) or (B) preceding, no credit allowance will be applicable for the interruption involved if the Maintenance of Service Charge applies.

13.3.3 Telecommunications Service Priority - TSP

- (A) Priority installation and/or restoration of National Security Emergency Preparedness (NSEP) telecommunications services shall be provided in accordance with Part 64.401, Appendix A, of the Federal Communications Commission's (FCC's) Rules and Regulations.

In addition, TSP System service shall be provided in accordance with the guidelines set forth in "Telecommunications Service Priority (TSP) System for National Security Emergency Preparedness (NSEP) Service Vendor Handbook" (NCSH 3-1-2) dated July 9, 1990, and "Telecommunications Service Priority System for National Security Emergency Preparedness Service User Manual" (NCSM 3-1-1)

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ACCESS SERVICE

13. Additional Engineering, Additional Labor, Miscellaneous Services and Presubscription (Cont'd)

13.3 Miscellaneous Services (Cont'd)

13.3.3 Telecommunications Service Priority - TSP (Cont'd)

(A) (Cont'd)

The TSP System is a service, developed to meet the requirements of the Federal Government, as specified in the Service Vendor's Handbook and Service User's Manual which provides the regulatory, administrative and operational framework for the priority installation and/or restoration of NSEP telecommunications services. These include both Switched and Special Access Services. The TSP System applies only to NSEP telecommunications services, and requires and authorizes priority action by the Telephone Company providing such services.

For Switched Access Service, the TSP System's applicability is limited to those services which the Telephone Company can discreetly identify for priority provisioning and/or restoration.

(B) A Telecommunications Service Priority charge applies as set forth in 17.4.4 when a request to provide or change a Telecommunications Service Priority is received subsequent to the issuance of an Access Order to install the service.

Additionally, a Miscellaneous Service Order Charge as set forth in 17.4.1 will apply to Telecommunications Service Priority requests that are ordered subsequent to the initial installation of the associated access service.

A Telecommunications Service Priority charge does not apply when a Telecommunications Service Priority is discontinued or when ordered coincident with an Access Order to install or change service.

In addition, Additional Labor rates as set forth in 17.4.3 may be applicable when provisioning or restoring Switched or Special Access Services with Telecommunications Service Priority.

When the customer requests an audit or a reconciliation of the Telephone Company's Telecommunications Service Priority records, a Miscellaneous Service Order Charge as set forth in 17.4.1(D) and Additional Labor rates as set forth in 17.4.3 are applicable.